

TABLE OF CONTENTS

SECTION	PAGE
STATE AID ENROLLMENT AUDIT COMMITTEE	
I. Purpose	1 AC
II. Structure	1 AC
III. Meetings	1 AC
IV. Responsibilities	2 AC
V. Audit Guidelines Approval	4 AC
VI. Definitions and Standards for Credit Courses	4 AC
STATE AID ENROLLMENT AUDIT GUIDELINES	
I. Statutory Provisions	7 AG
II. Terms Defined	7 AG
III. State Aid Enrollment Guidelines	11 AG
IV. Administrative Provisions	12 AG
V. Guidelines for Area CPA Audit	14 AG
SAMPLE AUDIT FORMAT	
Sample Audit Format	15 SA
Statement of Reimbursable Full-time Equivalent Student Enrollment and Reimbursable Educational Units	17 SA
Notes to Statements of Reimbursable Full-Time Equivalent Student Enrollment and Reimbursable Educational Units	18 SA
Schedule 1: Total Full-Time Equivalent Student Enrollment	20 SA
Schedule 2: Non-Reimbursable Course Titles Ineligible for State Aid	21 SA
Schedule 3: Reconciliation of Reimbursable Full-time Equivalent Student Enrollment and Unaudited Tuition Income	21 SA
Schedule 4: Allocation of 1.0 REU Factor Courses	22 SA
Independent Auditor's Report on Compliance and Internal Control Over Financial Reporting Based on Audit of Financial Statements Performed In Accordance with Government Auditing Standards	23 SA
COURSE WEIGHTING DECISION RULES	
I. Excerpts From State Statute	25 DR
II. Statewide Agreement	25 DR
III. Course Weighting Illustrations	26 DR
COMPUTATION AND ALLOCATION OF STATE AID UNDER THE COMMUNITY COLLEGE FOUNDATION AND EQUALIZATION AID ACT	
I. Valuation	29 CASA
II. Prior Year Revenue	30 CASA
III. Reporting of data	30 CASA
IV. Sample State Aid Formula Data reporting forms	32 CASA

NEBRASKA COMMUNITY COLLEGES STATE AID ENROLLMENT AUDIT COMMITTEE

I. PURPOSE

The purpose of the Nebraska Community Colleges State Aid Enrollment Audit Committee shall be to:

- A. Formulate and recommend to the Council of Chief Executive Officers guidelines and procedures to assure compliance with State law.
- B. Prepare audit guidelines for use by outside independent auditors to audit full-time equivalents (FTEs), and reimbursable educational units (REUs) for use in allocating state aid.
- C. Review course weightings and state aid enrollment audit reports for compliance with the audit guidelines and state law.
- D. Perform other tasks at the direction of the Council of Chief Executive Officers.

II. STRUCTURE

The Audit Committee shall be composed of two persons designated by each college's area president. It is recommended that:

- A. One of these persons should be the chief instructional officer and the other person should be the chief business officer.
- B. The chairperson of the Council of Business Officers and the chairperson of the Council of Instructional Officers shall be co-chairpersons of the Audit Committee.
- C. Each community college area shall have one vote.

III. MEETINGS

The Audit Committee shall meet as follows:

- A. August - Around August 15 to review annual state aid enrollment audits from each college. This review may be accomplished through a meeting or via a telephone conference call.
 - 1. The state aid enrollment audit for each area should be completed on or before August 10 so that the members of the committee can review the audits prior to the August meeting.
 - 2. The Audit Committee will report its findings to the Council of Chief Executive Officers.

- B. Fall - Review all college offerings and identify any changes in courses or program credits. Review the State Aid Enrollment Audit Guidelines and make any necessary changes. The co-chairpersons of the Audit Committee, or others designated by the Audit Committee, shall present the reviewed State Aid Enrollment Audit Guidelines including any changes to the Council of Chief Executive Officers for approval. The presentation of the State Aid Enrollment Audit Guidelines should be made no later than the January Council of Chief Executive Officers' meeting.
- C. February - Estimate FTEs and REUs that will be generated by the Nebraska Community College system.
- D. At other times as determined by the Audit Committee or the Council of Chief Executive Officers.

IV. RESPONSIBILITIES

- A. The Audit Committee shall submit revisions to the State Aid Enrollment Audit Guidelines, recommendations, and/or other documents to the Council of Chief Executive Officers for their approval.
 - 1. The revised State Aid Enrollment Audit Guidelines, recommendations and/or other documents shall be submitted to the Council of Chief Executive Officers accompanied by a cover letter with an appropriate explanation.
 - 2. Revisions of an existing document shall be clearly indicated.
 - 3. The co-chairpersons of the Audit Committee, or others designated by the Audit committee, shall be responsible for submitting material to the Council of Chief Executive Officers in a timely fashion. The co-chairpersons, or others designated by the Audit Committee, shall be present at the Council of Chief Executive Officers meeting to present the material and answer questions.
- B. Minutes of all Audit Committee meetings shall be forwarded to the Council of Chief Executive Officers.
- C. The Audit Committee shall have the following responsibilities relative to courses offered:
 - 1. Use the Nebraska Community Colleges State Aid Enrollment Audit Guidelines approved by the Council of Chief Executive Officers and ratified by the NCCA Board of Directors for all review functions.
 - 2. Determine the proper classification and REU weighting of courses as to:

Academic Transfer	1.00
Academic Support	1.00
Class 1 Applied Tech/Occupational	1.50
Class 2 Applied Tech/Occupational	2.00
 - 3. Provide assurance of credit hour allocation in compliance with the following categories and consistent with Nebraska Statutes.

	<u>Semester Calendar</u>	<u>Quarter Calendar</u>
Classroom Hour	1 to 15	1 to 10
Academic Transfer & Academic Support Laboratory Hour	1 to 30	1 to 20
Vocational Laboratory Hour & Clinical Hour	1 to 45	1 to 30
Practicum Hour	1 to 45	1 to 30
Cooperative Work Experience	1 to 60	1 to 40
Independent (directed) Study	Credits will be assigned according to the practices of each college in assigning credits to similar type courses.	

The total credit hours allocated to each course shall include those hours generated through any combination of categories.

4. Provide assurance that noncredit reimbursable classes are classified and weighted in a manner consistent to credit classes, and that the FTE and REU equivalent is in compliance with Nebraska Statutes.
 - a. Does Not Require:
 - i. Course Outline
 - ii. Instructor Credentials
 - iii. Student Evaluation
 - b. Non-reimbursable
 - i. Recreational Activity
 - ii. Avocational
 - c. Reimbursable
 - i. Administered by College (per Audit Guidelines)
 - ii. Content meets one of the following:
 - (a) Academic Support — 1.0
 - (b) Applied Technology/Occupational Education — 1.50/2.00.
 - (c) Job Upgrade — 1.50/2.00
 - iii. Course/Workshop of a minimum of 3 clock hours in an academic support or vocational program.
 - d. Weight According to Credit Taxonomy

V. AUDIT GUIDELINES APPROVAL

- A. The Audit Committee will present a revised set of Annual Audit Guidelines to the Council of Chief Executive Officers no later than the January Council of Chief Executive Officers' meeting.
- B. The Council of Chief Executive Officers will present the Annual Audit Guidelines to the NCCA Board at its second quarterly meeting.
- C. The Audit Guidelines approved by the NCCA Board will be used for the appropriate year.
- D. The set of approved Audit Guidelines will be issued to all Areas by the NCCA Office by June 1 and will be used for the state aid enrollment audit to which they apply.

VI. DEFINITIONS AND STANDARDS FOR CREDIT COURSES

To award college credit, all Nebraska community college courses will:

- A. Apply to a degree, diploma, certificate or skills award granted by a Nebraska Community College or meet pre-requisites for college level courses^{*1}.
- B. Require each Chief Instructional Officer to retain on file all course syllabi offered by their college. Regardless of the site from which a course is offered, the course will have the same:
 - Title for all sections/offerings taught under the designated course number.
 - Course alpha and number for common content.
 - Course description.
 - Course objectives.
 - Minimal competencies taught.
 - Textbook(s) – as per the current textbook procedures memorandum.
 - Prerequisites.
- C. Have an approved Course Action Form on file in the office of the Chief Instructional Officer.
- D. Be developed and maintained by an appropriately credentialed/qualified instructor as defined by the institution.
- E. Evaluate enrolled students in a manner appropriate to demonstrate educational achievement as prescribed by course objectives and/or approved department/program assessment practices.
- F. Meet credit/contact hour ratio guidelines for semesters (or quarter equivalent) as outlined in state statute 85-1503.

¹ *Credit for developmental courses does not apply toward a degree, but rather satisfies pre-requisites for courses in degree programs.

SEMESTER	QUARTER	
<i>1:15</i>	<i>1:10</i>	<i>Classroom Hour</i>
<i>1:30</i>	<i>1:20</i>	<i>Academic Transfer, General Education, & Academic Support Lab Hour</i>
<i>1:45</i>	<i>1:30</i>	<i>Vocational Laboratory Hour and Clinical Hour</i>
<i>1:45</i>	<i>1:30</i>	<i>Practicum Hour</i>
<i>1:60</i>	<i>1:40</i>	<i>Cooperative Work Experience</i>
		<i>Independent (directed) Study – Credits will be assigned according to the practices of assigning credits to similar type courses.</i>

- G. Charge tuition as approved by the college's Board of Governors.
- H. Be reviewed by the faculty a minimum of once every three years and revised as necessary to ensure relevance.
- I. Require each Chief Instructional Officer to maintain a reasonable balance between consistent, accurate course content and the frequency of curriculum revisions.
- J. Focus on the learning needs of students and employers related to applied technology, a common learning core, and academic transfer.
- K. Be classified for appropriate Reimbursable Educational Unit weighing as outlined by the "Nebraska Community College's State-Aid Enrollment Audit Guidelines, State Aid Enrollment Audit Committee Section, item IV.C.2." and the Course Weighting Decision Rules listed in the same document:
 - Academic Transfer 1.00
 - Academic Support 1.00
 - Class 1 Vocational 1.50
 - Class 2 Vocational 2.00

Definitions of Academic Transfer, Academic Support, Class 1 Vocational, and Class 2 Vocational are found in the State Aid Enrollment Audit Guidelines, Section II, numbers 15, 17, 18, and 19.

NEBRASKA COMMUNITY COLLEGES STATE AID ENROLLMENT AUDIT GUIDELINES

The following guidelines shall govern Full-Time Equivalent (FTE) student enrollment reporting, minimum record keeping requirements and the conversion of FTE students to Reimbursable Education Units (REUs).

I. STATUTORY PROVISIONS

Nebraska Statutes Sections 85-1501 to 85-1540 provide the basis for the Nebraska Community Colleges.

II. TERMS DEFINED (As identified in Nebraska Statute 85-1503)

1. Community college means an educational institution operating and offering programs pursuant to Nebraska Statutes Sections 85-1501 to 85-1540;
2. Community college area means an area established by Section 85-1504;
3. Board means the community college board of governors for each community college area;
4. Full-time equivalent student means, in the aggregate, the equivalent of a registered student who in a twelve-month period is enrolled in:
 - a. Thirty semester credit hours or forty-five quarter credit hours of classroom, laboratory, clinical, practicum, or independent study course work or cooperative work experience or
 - b. Nine hundred contact hours of classroom or laboratory course work for which credit hours are not offered or awarded. Avocational and recreational community service programs or courses are not included in determining full-time equivalent students or student enrollment;
5. Contact hour means an educational activity consisting of sixty minutes minus break time and required time to change classes;
6. Credit hour means the unit used to ascertain the educational value of course work offered by the institution to students enrolling for such course work, earned by such students upon successful completion of such course work, and for which tuition is charged. A credit hour may be offered and earned in any of several instructional delivery systems, including, but not limited to, classroom hours, laboratory hours, clinical hours, practicum hours, cooperative work experience, and independent study. A credit hour shall consist of a minimum of:
 - a. Ten quarter or fifteen semester classroom contact hours per term of enrollment;
 - b. Twenty quarter or thirty semester academic transfer and academic support laboratory hours per term of enrollment;

- c. Thirty quarter or forty-five semester vocational laboratory hours per term of enrollment;
- d. Thirty quarter or forty-five semester clinical or practicum contact hours per term of enrollment;
- e. Forty quarter or sixty semester cooperative work experience contact hours per term of enrollment.

An institution may include in a credit hour more classroom, laboratory, clinical, practicum, or cooperative work experience hours than the minimum required in this subdivision. The institution shall publish in its catalog, or otherwise make known to the student in writing prior to the student enrolling or paying tuition for any courses, the number of credit or contact hours offered in each course. Such published credit or contact hour offerings shall be used to determine whether a student is a full-time equivalent student pursuant to subdivision (4) of this section;

- 7. Classroom hour means a minimum of fifty minutes of formalized instruction on campus or off campus in which a qualified instructor applying any combination of instructional methods such as lecture, directed discussion, demonstration, or the presentation of audiovisual materials is responsible for providing an educational experience to students;
- 8. Laboratory hour means a minimum of fifty minutes of educational activity on campus or off campus in which students conduct experiments, perfect skills, or practice procedures under the direction of a qualified instructor;
- 9. Clinical hour means a minimum of fifty minutes of educational activity on campus or off campus during which the student is assigned practical experience under constant supervision at a health-related agency, receives individual instruction in the performance of a particular function, and is observed and critiqued in a repeat performance of such function. Adjunct professional personnel, who may or may not be paid by the college, may be used for the directed supervision of students and for the delivery of part of the didactic phase of the experience;
- 10. Practicum hour means a minimum of fifty minutes of educational activity on campus or off campus during which the student is assigned practical experiences, receives individual instruction in the performance of a particular function, and is observed and critiqued by an instructor in the repeat performance of such function. Adjunct professional personnel, who may or may not be paid by the college, may be used for the directed supervision of the students;
- 11. Cooperative work experience means an internship or on-the-job training, designed to provide specialized skills and educational experiences, which is coordinated, supervised, observed, and evaluated by qualified college staff or faculty and may be completed on campus or off campus, depending on the nature of the arrangement;
- 12. Independent study means an arrangement between an instructor and a student in which the instructor is responsible for assigning work activity or skill objectives to the student, personally providing needed instruction, assessing the student's progress,

and assigning a final grade. Credit hours shall be assigned according to the practice of assigning credits in similar courses;

13. Full-time equivalent student enrollment total means the total of full-time equivalent students enrolled in a community college area in any fiscal year;
14. General academic transfer course means a course offering in a one-year or two-year degree-credit program, at the associate degree level or below, intended by the offering institution for transfer into a baccalaureate program. The completion of the specified courses in a general academic transfer program may include the award of a formal degree;
 - These degrees primarily prepare the student to transfer to an upper-division baccalaureate degree program. (Language found in the American Association of Community and Junior Colleges - AACJC Policy Brief, July, 1984.)
15. Applied technology or occupational course means a course offering in an instructional program, at the associate degree level or below, intended to prepare individuals for immediate entry into a specific occupation or career. The primary intent of the institutions offering an applied technology or occupational program shall be that such program is for immediate job entry. The completion of the specified courses in an applied technology or occupational program may include the award of a formal degree, diploma, or certificate;
 - Includes Associate of Applied Science degrees (AAS), diplomas, certificates, and course work to qualify individuals for entry into employment and/or enable them to remain current or to upgrade or acquire new skills. (Language not found in Nebraska Statute, but agreed to by the six Community Colleges Areas to be included in the State Aid Enrollment Audit Guidelines.)
16. Academic support course means a general education academic course offering which may be necessary to support an applied technology or occupational program;
17. Class 1 course means an applied technology or occupational course offering which requires the use of equipment, facilities, or instructional methods which could be easily adapted for use in a general academic transfer program classroom or laboratory;
18. Class 2 course means an applied technology or occupational course offering which requires the use of specialized equipment, facilities, or instructional methods not easily adaptable for use in a general academic transfer program classroom or laboratory;
19. Full-time equivalent student means a full-time equivalent student subject to the following limitation: The number of credit hours which shall be counted by any community college area in which a tribally controlled community college is located shall include credit hours awarded by such tribally controlled community college to students for which such institution received no federal reimbursement pursuant to the Tribally Controlled Community College Assistance Act, 25 U.S.C. 1801;

20. Full-time equivalent total means the total of all full-time equivalents accumulated in a community college area in any fiscal year;
21. Reimbursable educational unit means a full-time equivalent student multiplied by:
 - a. for a general academic transfer course or an academic support course, a factor of one,
 - b. for a Class 1 course, a factor of one and fifty-hundredths,
 - c. for a Class 2 course, a factor of two,
 - d. for a tribally controlled community college general academic transfer course or academic support course, a factor of two,
 - e. for a tribally controlled community college Class 1 course, a factor of three, and
 - f. for a tribally controlled community college Class 2 course, a factor of four
22. Reimbursable educational unit total means the total of all reimbursable educational units accumulated in a community college area in any fiscal year;
23. Special instructional term means any term which is less than fifteen weeks for community colleges using semesters or ten weeks for community colleges using quarters;
24. Statewide reimbursable full-time equivalent total means the total of all reimbursable full-time equivalents accumulated statewide for the community college in any fiscal year;
25. Tribally controlled community college means an educational institution operating and offering programs pursuant to the Tribally Controlled Community College Assistance Act, 25 U.S.C. 1801; and
26. Tribally controlled community college state aid amount means the quotient of the amount of state aid to be distributed pursuant to the Community College Foundation and Equalization Aid Act for the current fiscal year to a community college area in which a tribally controlled community college is located divided by the reimbursable educational unit total for such area for the immediately preceding fiscal year, with such quotient then multiplied by the average reimbursable educational units derived pursuant to subdivision (19) of this section for the immediately preceding fiscal year.
27. Foundations education, defined. Foundations education shall mean education which includes remedial and developmental programs, adult basic education, general education development, English as a second language, compensatory education, and refresher courses. Source: Section 85-932.01, Nebraska Statutes

III. STATE AID ENROLLMENT GUIDELINES

A. Census Procedures

1. Credit Courses

- a. A college's state aid enrollment report shall be computed using as a cutoff date the tenth (10th) day of instruction of each term. Any students enrolled through ten (10) instructional days in a term are eligible to be counted. Those students enrolled after the tenth (10th) instructional day and meeting the ten-day guideline shall be counted in either the current or the following term.
- b. Any credit course having a total duration of less than ten (10) instructional days or not scheduled as part of a regular term shall be counted as meeting the minimum requirements if the enrollment is in proportion to the time equal to the ten (10) instructional day limitation of a normal semester or quarter course.
- c. Credit courses will be audited on a quarter/semester credit hour basis.

2. Noncredit Courses

- a. The total registrations after the second class session or after the first session, if there is only one scheduled session, shall be counted as the enrollment, and this enrollment is to be multiplied by the total number of contact hours in the course.
- b. Noncredit courses shall be audited on a contact hour basis.

B. Courses Eligible and REU Weighting Factor Applied:

1. Credit hours generated by courses applicable to a degree, diploma, or certificate to be eligible to be counted towards FTE and converted to REU shall be those meeting the definitions identified previously in this document.
2. Credit/contact hours for which the student tuition is paid by federal, state, or other governmental agencies or private subsidy or both are eligible to be claimed for reimbursement.
3. Noncredit reimbursable courses will be classified and weighted in a manner consistent with credit courses.
4. Credit/contact hours specifically designed and offered to develop and improve job competencies shall be eligible for reimbursement.
5. Noncredit courses/workshops of a minimum of 3 clock hours in an academic support or vocational discipline are eligible for reimbursement.
6. Noncredit reimbursable courses/workshops must meet at least one of the following criteria:
 - a. Job entry

- b. Job update
 - c. Job upgrade
 - d. Consumer, personal, and miscellaneous Classification of Instructional Programs (CIP #12) - programs that prepare individuals to provide a variety of services to individual consumers or organizations
 - e. Vocational home economics (CIP #20) - paid employment
- 7. Each college area shall establish and uniformly apply resident and nonresident tuition rates on a credit hour basis. Such rates shall apply to all credit courses claimed for reimbursement. This is not intended to interfere with reciprocal agreements.
- 8. Courses or programs offered to private businesses and nongovernmental agencies will be reimbursed in accordance with the guidelines of III. B. 1 – 7 above.
- C. Courses Ineligible to be counted for State Aid:
 - 1. Courses or programs when 100 percent of the costs are paid by a governmental agency. Examples would include, but are not limited to:
 - a. ABE (Federally Funded)
 - b. High School Programs exclusively for high school credit
 - c. Department of Correctional Services
 - 2. All credit or contact hours generated through "testing out," "challenging," transfer, or unsupervised study.
 - 3. Avocational/recreational courses.
- D. Courses or programs with third parties may be reviewed by the Council of Chief Executive Officers to determine if the courses or programs shall be counted for reimbursement.
- E. All courses eligible for reimbursement shall be reviewed by the Audit Committee prior to the certification of the official course list by each community college area president.

IV. ADMINISTRATIVE PROVISIONS

- A. Implementation Date:
 - 1. For purposes of FTE and REU count, the reporting year will be July 1 through June 30.
 - 2. Credit courses will be audited on a semester/quarter hour basis.
 - 3. Summer Session Enrollment: FTE generated by a course whose total duration is interrupted by a change in the fiscal year (July 1) shall be counted in the fiscal

year started if it meets the ten (10) instructional day or equivalent guidelines in that year or in the following year if it does not meet the ten (10) instructional day guidelines of the starting year.

B. Auditing and Filing of Reports:

1. Each college's reimbursable course list shall be prepared and certified as official by each area president by June 30 of each year and presented to the Department of Administrative Services, each member of the Council of Chief Executive Officers, and the NCCA Executive Director, prior to July 15.
2. The official reimbursable course list and the college's enrollment records shall be the basis for the audit by the auditor.
3. The audit process shall include the confirmation that the instructional services have been performed and that enrollment fulfills stated guidelines.
4. Reimbursable full-time equivalent student enrollment and reimbursable educational units totals as defined are to be reported annually covering the most recently completed fiscal year. In addition, the reimbursable FTE and REU totals for the previous three most recently completed fiscal years and the three year average of such totals shall also be reported. The property valuation for the prior tax year as reported in the December annual report from the Property Assessment Division of the Nebraska Department of Revenue shall also be reported. The Local Effort Rate (LER) computed pursuant to state statute 85-8224 shall also be reported. The property tax revenue as computed pursuant to state statute 85-2212 shall also be reported. Such examination and audit shall be completed and filed with the Auditor of Public Accounts, the Department of Administrative Services, the Coordinating Commission for Postsecondary Education, the Department of Revenue, each member of the Council of Chief Executive Officers, and the NCCA Executive Director, on or before August 15.

C. Record Keeping Requirements:

In order to provide an adequate audit trail and to facilitate the collection of information, the following procedures shall be implemented:

1. Minimum records to be available from each area shall consist of the following:
 - a. Master Course List

Approved course lists are to include CIP Code, course number, course title, contact hours, credit hours, lecture hours, Clinical, Laboratory, Internship, or Practicum (CLIP) code, CLIP hours, and REU weighting factor. The contact hour split between class, lab, practicum, clinical, and co-op will be provided.
 - b. Student records
 - (i) Student's name or student ID number
 - (ii) Resident or nonresident status (not required for noncredit)
 - (iii) Courses and number of credit hours or contact hours enrolled in

- (iv) Tuition Income - Indicate tuition paid or waiver with sufficient records to allow reconciliation of tuition to FTE.
- (v) Date enrolled.

- 2. A reconciliation shall be made between the FTE enrollment and unaudited tuition collected or waived.

V. GUIDELINES FOR AREA CPA AUDIT

The following procedures are necessary to meet minimum requirements for an adequate state aid enrollment audit:

- A. Examine FTE and REU enrollment records. Sample testing of data shall be in accordance with generally accepted auditing standards. Records to be examined shall include:
 - 1. Registration records
 - 2. Drop and add records
 - 3. Financial records
 - 4. College Master Course Lists
 - 5. Classification of courses as to legal definitions
 - 6. Contracts for eligible and ineligible FTEs
- B. The audit opinion rendered must include certification of the reimbursable FTE and REU enrollment.
- C. The following information shall be included as unaudited supplemental information:
 - 1. Schedule of Total Full-Time Equivalent Student Enrollment. This schedule should include both reimbursable and non-reimbursable FTE.
 - 2. A list of non-reimbursable courses offered during the year.
 - 3. A reconciliation of unaudited tuition collected or waived to FTE.
 - 4. An allocation of 1.0 REU factor courses. The allocation shall include credit hours, contact hours, FTE and REU. Courses with an REU factor of 1.0 shall be allocated by declared student major as of the tenth (10th) instructional day to academic transfer, academic support, undeclared/non-degree, and foundations education.

SAMPLE AUDIT FORMAT

Anywhere Nebraska Community College Area

Statements of Reimbursable Full-Time Equivalent Student Enrollment and
Reimbursable Educational Units

June 30, 2009 and 2008

Board of Governors
Anywhere Nebraska Community College Area

INDEPENDENT AUDITORS' REPORT

We have audited the accompanying statements of reimbursable full-time equivalent student enrollment and reimbursable educational units of Anywhere Nebraska Community College Area for the years ended June 30, 2009 and 2008. These enrollment statements are the responsibility of the College's management. Our responsibility is to express our opinion on these statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America and Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the statements referred to above are free of material misstatement. An audit includes examining on a test basis, evidence supporting the amounts and disclosures in the statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the accompanying statements of reimbursable full-time equivalent student enrollment and reimbursable educational units of Anywhere Nebraska Community College Area present fairly, in all material respects, the reimbursable full-time equivalent student enrollment and reimbursable educational units for the years ended June 30, 2009 and 2008, in accordance with guidelines referred to in the notes to the accompanying statements.

Our audits were made for the purpose of forming an opinion on the statements of reimbursable full-time equivalent student enrollment and reimbursable educational units taken as a whole. The supplementary data included in Schedules 1, 2, 3, and 4 is presented for purposes of additional analysis and is not a required part of the basic statements. Such information has not been subjected to the auditing procedures applied in the audit of the basic statements and, accordingly, we express no opinion on them.

In accordance with Government Auditing Standards, we have also issued our report dated August 1, 2009 on our consideration of the Anywhere Nebraska Community College Area's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be considered in assessing the results of our audit.

Independent CPA Firm
Anywhere, Nebraska
August 1, 2009

ANYWHERE NEBRASKA COMMUNITY COLLEGE AREA

Statement of Reimbursable Full-time Equivalent Student Enrollment and Reimbursable Educational Units
Fiscal Years Ended June 30, 2009 and 2008

		<u>Hours</u>	<u>Contact</u>	<u>Reimbursable FTE</u> <u>Student Enrollment</u>		<u>Reimbursable</u> <u>Education Units</u>	
		<u>Quarter</u>		<u>2009</u>	<u>2008</u>	<u>2009</u>	<u>2008</u>
Summer							
1.0 Academic Transfer/Support	N/A	7,547.00	5,417.00	173.73	169.85	173.73	169.85
1.5 Class1, Applied Tech/Occupational	N/A	9,973.50	13,269.00	236.38	215.19	354.56	322.78
2.0 Class 2, Applied Tech/Occupational	N/A				550.21		1,100.42
	N/A	<u>42,484.50</u>	<u>20,696.00</u>	<u>967.10</u>	<u>935.25</u>	<u>1,642.27</u>	<u>1,593.05</u>
		24,964.00	2,010.00	556.99	1,113.98		
Fall							
1.0 Academic Transfer/Support	3,736.00	11,119.00	9,042.50	381.67	366.62	381.67	366.62
1.5 Class1, Applied Tech/Occupational	1,842.00	15,553.00	15,975.50	424.77	409.92	637.16	614.88
2.0 Class 2, Applied Tech/Occupational	<u>2,531.00</u>						
	<u>8,109.00</u>	<u>29,592.50</u>	<u>29,354.00</u>	<u>1,547.19</u>	<u>1,444.37</u>	<u>2,500.33</u>	<u>2,317.16</u>
	29,592.50	4,336.00		740.75	667.83	1,481.50	1,335.66
Winter							
1.0 Academic Transfer/Support	4,050.00	11,190.00	7,280.50	391.76	345.47	391.76	345.47
1.5 Class1, Applied Tech/Occupational	1,658.00	16,318.50	15,383.50	434.99	420.97	652.49	631.46
2.0 Class 2, Applied Tech/Occupational	<u>2,041.50</u>						
	<u>7,749.50</u>	<u>27,508.50</u>	<u>28,887.00</u>	<u>1,579.19</u>	<u>1,505.33</u>	<u>2,549.13</u>	<u>2,454.71</u>
	30,550.00	6,223.00		752.44	738.89	1,504.88	1,477.78
Semester							
Spring							
1.0 Academic Transfer/Support	853.00	10,005.50	11,266.00	263.30	238.93	263.29	238.93
1.5 Class1, Applied Tech/Occupational	390.00	14,948.00	10,757.50	357.13	328.10	535.70	492.15
2.0 Class 2, Applied Tech/Occupational	<u>1,037.00</u>						
	<u>2,280.00</u>	<u>24,953.50</u>	<u>26,554.50</u>	<u>1,268.82</u>	<u>1,201.66</u>	<u>2,095.77</u>	<u>2,000.34</u>
	27,233.50	4,531.00		648.39	634.63	1,296.78	1,269.26
Totals	<u>18,138.50</u>	<u>208,821.00</u>	<u>105,491.50</u>	<u>5,362.30</u>	<u>5,086.61</u>	<u>8,787.50</u>	<u>8,365.26</u>

See accompanying notes to statements

ANYWHERE NEBRASKA COMMUNITY COLLEGE AREA

Notes to Statements of Reimbursable Full-Time Equivalent Student Enrollment and Reimbursable Educational Units

June 30, 2009 and 2008

Note 1. GUIDELINES

The certification of reimbursable full-time equivalent (FTE) student enrollment and reimbursable educational unit (REU) is required by Nebraska Statutes. The Statutes also provide general guidelines for determining the FTE student enrollment total and subsequent conversion of FTEs to REUs. An audit committee, comprised of representatives from each of the Nebraska Community College Areas, was established to define more specific guidelines. These guidelines, as adopted by the Council of Chief Executive Officers, and the Nebraska Community College Association Board of Directors, were used in the determination of the FTE student enrollment total and subsequent conversion to REUs.

The computation of the information for this report is based on the Nebraska Community College's State Aid Enrollment Audit Guidelines FY 2008-2009 and 2007-2008 which were ratified by the NCCA Board of Directors on, August 10, 2009 and August 11, 2008.

Note 2. FULL-TIME EQUIVALENT STUDENT AND REIMBURSABLE EDUCATIONAL UNIT DEFINITIONS

- A. An FTE student is equivalent to thirty semester or forty-five quarter credit hours of classroom, laboratory, clinical, practicum, independent study course work or cooperative work experience applicable to a degree, diploma, or certificate in a program for which credit hours are offered or nine hundred contact hours of classroom or laboratory course work for which credit hours are not offered or awarded.
- B. The number of credit hours which shall be counted by any community college area in which a tribally controlled community college is located shall include credit hours awarded by such tribally controlled community college to students for which such institution received no federal reimbursement pursuant to the Tribally Controlled Community College Assistance Act, 25 U.S.C. 1801;
- C. REUs are calculated by multiplying FTEs by the appropriate weighting factor as defined for each type of course offering as follows:

<u>Type of Course</u>	<u>Factor</u>
Academic Transfer	1.00
Academic Support	1.00
Class 1 Applied Tech/Occupational	1.50
Class 2 Applied Tech/Occupational	2.00

ANYWHERE NEBRASKA COMMUNITY COLLEGE AREA

Notes to Statements of Reimbursable Full-Time Equivalent Student Enrollment and Reimbursable Educational Units

June 30, 2009 and 2008

Note 3. THREE-YEAR AVERAGE VALUES

The following three-year average values are included in the audited statements for use in state aid computations.

Fiscal Year Ending June 30, 2009

Years Ending June 30	Reimbursable Full-Time Equivalent Student Enrollment	Reimbursable Education Units
2007	5,198.55	8,549.33
2008	5,086.61	8,365.26
2009	5,362.30	8,787.50
Three-year average	5,215.82	8,567.36

Fiscal Year Ending June 30, 2008

Years Ending June 30	Reimbursable Full-Time Equivalent Student Enrollment	Reimbursable Education Units
2006	5,042.59	8,212.84
2007	5,198.55	8,549.33
2008	5,086.61	8,365.26
Three-year average	5,109.25	8,375.81

Note 4. PROPERTY VALUATION AND PROPERTY TAX REVENUE

The property valuation for Anywhere Nebraska Community College Area as reported in the December 2008 annual report of the Property Assessment Division of the Nebraska Department of Revenue is \$ 32,659,653,672.

The Local Effort Rate (LER) for the fiscal year ending June 30, 2009 is 0.062913822 cents per \$ 100 of valuation.

The property tax revenue for Anywhere Nebraska Community College Area for the June 30, 2009 fiscal year is computed pursuant to state statute 85-2212 as follows:
 $\$ 32,659,653,672 \times .062913822 / 100 = \$ 20,547,436$

Schedule 1

ANYWHERE NEBRASKA COMMUNITY COLLEGE AREA

Total Full-Time Equivalent Student Enrollment
Years ended June 30, 2009 and 2008 (Unaudited)

	Full-Time Equivalent Student Enrollment	
	2009	2008
Summer		
1.00 Academic Trans/Sup	173.73	169.85
1.50 Class 1, Applied Tech/Occupational	236.38	215.19
2.00 Class 2, Applied Tech/Occupational	556.99	550.21
Ineligible for state aid	<u>84.76</u>	<u>80.66</u>
	1,051.86	1,015.91
Fall		
1.00 Academic Trans/Sup	381.67	366.62
1.50 Class 1, Applied Tech/Occupational	424.77	409.92
2.00 Class 2, Applied Tech/Occupational	740.75	667.83
Ineligible for state aid	<u>95.28</u>	<u>106.84</u>
	1,642.47	1,551.21
Winter		
1.00 Academic Trans/Sup	391.76	345.47
1.50 Class 1, Applied Tech/Occupational	434.99	420.97
2.00 Class 2, Applied Tech/Occupational	752.44	738.89
Ineligible for state aid	<u>109.15</u>	<u>121.46</u>
	1,688.34	1,626.79
Spring		
1.00 Academic Trans/Sup	263.30	238.93
1.50 Class 1, Applied Tech/Occupational	357.13	328.10
2.00 Class 2, Applied Tech/Occupational	648.39	634.63
Ineligible for state aid	<u>111.09</u>	<u>104.64</u>
	1,379.91	1,306.30
 Total	 <u>5,762.58</u>	 <u>5,500.21</u>
Deduct - Courses, programs & hours ineligible for state aid:		
Community Education	101.35	107.23
Other ineligible FTE	<u>298.93</u>	<u>306.37</u>
	400.28	413.60
 Full-Time Equivalent Student Enrollment Eligible for state aid	 <u>5,362.30</u>	 <u>5,086.61</u>

Schedule 2**ANYWHERE NEBRASKA COMMUNITY COLLEGE AREA**

Non-Reimbursable Course Titles Ineligible for State Aid
 Year Ended June 30, 2009 (Unaudited)

A list of all non-reimbursable course titles ineligible for state aid for the year ended June 30, 2009 must be provided.

Schedule 3**ANYWHERE NEBRASKA COMMUNITY COLLEGE AREA**

Reconciliation of Reimbursable Full-Time Equivalent Student Enrollment
 & General Fund Tuition Income
 (Unaudited)
 Year Ended June 30, 2009

	<u># of Credit Hours</u>	<u>Cost Per Credit Hour</u>	<u>Total</u>
Semester Credit Hours			
Resident	16,518.00	67.50	1,114,965
Nonresident	<u>1,620.50</u>	82.50	<u>133,691</u>
Total	<u>18,138.50</u>		<u>1,248,656</u>
Quarter Credit Hours			
Resident	199,406.00	45.00	8,973,270
Nonresident	<u>9,415.00</u>	55.00	<u>517,825</u>
Total	<u>208,821.00</u>		<u>9,491,095</u>
Reimbursable Contact Hours	105,491.50	2.50	<u>263,729</u>
Total Computed Tuition			11,003,480
Adjustments:			
Tuition Waivers			(570,512)
Other			<u>(187,280)</u>
Total Adjustments			<u>(757,792)</u>
Net Reimbursable Tuition Income (unaudited)			<u>\$10,245,688</u>

ANYWHERE NEBRASKA COMMUNITY COLLEGE AREA

Allocation of 1.0 REU Factor Courses
 Year Ended June 30, 2009 (Unaudited)

	----- Semester -----	-----Hours----- Quarter	----- Contact	Reimbursable Full-time Equivalent Student Enrollment	Reimbursable Education Units
Academic Transfer	6,805.00		-	226.83	226.38
Academic Support	1,183.00	30,547.50	-	718.27	718.27
Undeclared/nondegree	549.00	9,160.00	33,006.00	258.53	258.53
Foundations Education	102.00	154.00	-	6.82	6.82
	8,639.00	39,861.50	33,006.00	1,210.45	1,210.45

Note: Courses with a REU factor of 1.0 are allocated by declared student major as of the tenth (10th) instructional day to academic transfer, academic support, undeclared/nondegree, and foundations education.

REPORT ON INTERNAL CONTROL OVER ENROLLMENT REPORTING AND ON COMPLAINTS AND OTHER MATTERS BASED ON AN AUDIT OF ENROLLMENT STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

Board of Governors
Anywhere Nebraska Community College Area

We have audited the statements of reimbursable full-time equivalent student enrollment and reimbursable educational units of Anywhere Nebraska Community College Area for the year ended June 30, 2009, and have issued our report thereon dated August 1, 2009. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement and about whether Anywhere Community College Area complied with laws and regulations, noncompliance with which would be material to the financial statements.

Internal Control Over Enrollment Reporting

The management of Anywhere Community College Area is responsible for establishing and maintaining effective internal control. In planning and performing our audit of the enrollment statements and compliance, we considered the College's internal control over financial reporting and its internal control over compliance with requirements that could have a direct and material effect on the enrollment statements in order to determine our auditing procedures for the purpose of expressing our opinions on the enrollment statements and on compliance, but not for the purposes of expressing an opinion on the effectiveness of the College's internal control. Accordingly, we do not express an opinion on the effectiveness of the College's internal control over enrollment reporting and internal control over compliance.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect on a timely basis misstatements or noncompliance with applicable requirements of laws and regulations applicable to the College.

A significant deficiency is a control deficiency, or a combination of control deficiencies, that adversely affects the entity's ability to initiate, authorize, record, process or report enrollment data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that (a) a misstatement of entity's enrollment statements or (b) noncompliance with applicable requirements of laws and regulations that is more than inconsequential will not be prevented or detected by the entity's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that (a) a material misstatement of the enrollment statements or (b) a material noncompliance with applicable requirements of a laws and regulations will not be prevented or detected by the entity's internal control.

Our consideration of internal control over enrollment reporting and internal control over compliance was for the limited purposes described above and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses, We

did not identify any deficiencies in internal control that we considered to be significant or material weaknesses, as defined above.

Compliance and Other Matters

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the enrollment statements are free of material misstatement

Compliance with laws, regulations, contracts, and grant agreements applicable to the College is the responsibility of the College's management. As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we performed tests of the College's compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement accounts. However, providing an opinion on the compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion.

The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards.

This report is intended for the information and use of the governing body, management, and other audit agencies and is not intended to be and should not be used by anyone other than these specified parties.

Independent CPA Firm
Anywhere, Nebraska
August 1, 2009

COURSE WEIGHTING DECISION RULES

I. FROM STATE STATUTE

1. General Academic Transfer and Academic Support courses are weighted at 1.0.
2. Class 1 Applied Technology or Occupational courses (courses which require the use of equipment, facilities, or instructional methods which could be easily adaptable for use in general academic transfer classroom or laboratory) are weighted at 1.5.
3. Class 2 Applied Technology or Occupational courses (courses which require the use of specialized equipment, facilities, or instructional methods not easily adaptable for use in a general academic transfer classroom or laboratory) are weighted at 2.00.

II. FROM STATEWIDE AGREEMENT

1. Place each course in one of the three groups of courses: general academic transfer, general academic support, or applied technology or occupational as identified in the Definition of Terms.
2. Classify each applied technology or occupational course as either Class 1 or Class 2 as defined in the Definition of Terms.
3. Weight each course: 1.00 for general academic transfer and academic support, 1.50 for Class 1 applied technology or occupational and 2.00 for Class 2 applied technology or occupational as set forth in the Definition of Terms.
4. All similar courses statewide will be weighted the same.
5. All exceptions will be agreed to by the community colleges.
6. New courses will be reviewed by the instructional officers for weighting prior to submission of the "course changes" report to the Council of Chief Executive Officers.
7. Courses may vary from the established weighting of a discipline per agreement of the instructional officers. (See Section III, Course Weighting Illustrations and Exceptions.) Such exceptions will be updated annually.
8. Independent/Directed Study, Practicum, and Special Topics courses carry the same weight as other similar courses in the discipline.
9. Co-op/OJT courses carry the same weight as other similar courses in the discipline.
10. Courses using computers to teach the content will be weighted at the discipline level. NOTE: The intent is to weight the competencies taught, not the methodology.
11. Courses taught via telecommunications revert to the normal course weight.
12. Courses must maintain a lab contact/credit hour ratio consistent with their weighting classification.

13. If there is a question on rounding figures when weighting courses, the figure should be rounded down.
14. Credit courses are to be offered at .5 credit or higher, increments of .25 are allowed above .50 credit.

III. COURSE WEIGHTING ILLUSTRATIONS AND EXCEPTIONS

Applicable to All Reimbursable Courses

A. 1.0 Academic Transfer and Academic Support Courses

Definition: Courses for the awareness, preparation, and support of academic courses that will transfer to a senior institution.

Such as:

1. Remedial and developmental courses (Basic Skills)
2. Career Assessment, Career Planning, and Counseling
3. General College Transfer
 - a. Written Communication
 - b. Consumer Home Economics
 - c. Economics
 - d. Education
 - e. English and Speech
 - f. Engineering
 - g. Fine Arts
 - h. Health, First Aid, and CPR
 - i. Languages
 - j. Math
 - k. Performing Arts
 - l. Physical Education and Recreation
 - m. Public Administration
 - n. Science
 1. Life
 2. Physical
 3. Social
 - o. Journalism
 - p. Sign Language
 - q. Library and Information Services
4. General Academic Support courses for Applied Technology or Occupational programs which require little or no special equipment and/or facilities other than those generally used in a transfer course.
 - a. Personal Finance
 - b. Courses such as
 1. Occupational Safety and Health
 2. Safety Code
 3. English as a Second Language (non-federally funded)
 4. Academic related courses (General Education) as listed above in #3

5. All science courses are weighted 1.0 as academic transfer or academic support courses. Any laboratory hours associated with science courses are converted to credit hours based on one credit hour for a minimum of twenty quarter or thirty semester hours of laboratory work per term of enrollment.

B. 1.5 Class 1 – Applied Technology and Occupational Courses

Definition: Applied technology or occupational courses which generally use a limited amount of specialized equipment.

1. Generally includes courses from the following programs:
 - Agribusiness
 - Building/Property Maintenance
 - Business Administration/Entrepreneurship
 - Child Care/Early Childhood Education
 - Criminal Justice/Law Enforcement
 - Environmental Lab Technician/Biological Studies
 - Family and Consumer Science--Related Occupations
 - Fire Technology - Emergency Medical Services/Paramedic
 - Geriatric Aide - Care Staff Member - Nursing Assistant
 - Health Information Management Services
 - Horticulture
 - Hotel/Motel Management
 - Human Resource Management
 - Interior Design
 - Janitorial and Housekeeping
 - Legal Services/Paralegal
 - Logistics and Material Management
 - Medical Assistant
 - Parts
 - Parts Distribution
 - Pharmacy Technician
 - Railroad Operations
 - Secretarial Science – Administrative Assistant
 - Statistical Process Control (SPC)
 - Technical Theatre Production Design
 - Travel/Reservations
2. Co-op/work experience will carry the same weight as the program is generally assigned.
3. Independent Study, Practicum, and special topics will have the same weight as the course and/or program they duplicate.
4. Courses with the following topics from the programs in item III. C. listed below. These are discrete topics/courses which require little or no special equipment.
 - Blueprint Reading
 - Code and/or Law
 - Estimating
 - License Preparation and Examination

Nutrition
Terminology

C. 2.0 Class II – Applied Technology and Occupational Courses

Definition: Applied technology or occupational courses which are generally very expensive and utilize specialized equipment and may require special facility accommodations.

1. Generally includes courses from the following programs:

Agriculture Mechanics	Mechanics (all areas)
Air Conditioning and Heating	Medical Lab Technician
Aviation Maintenance	Physical Therapist Assistant
Audio/Recording Technology	Truck Driving
Auto Body	Nursing/Health Occupations
Automotive Technology	Occupational Therapy Assistant
Broadcast Engineering	Office Technology
Building Construction	Ophthalmic
Civil Engineering Technician	Plumbing
Commercial Photography	Printing Technology
Construction Trades	Production Based Agriculture
Cosmetology Trades	Production Based Horticulture
Dental Assistant/Hygiene/Lab	Radio and Television
Diesel Technology	Radiology Technician
Drafting	Renewable Energy
Electronic, Electricity, Electromechanical	Respiratory Therapy
Electronic Imaging/Graphics/ Design	Surgical Technology
Food Service Management	Transportation/Material Moving
Industrial Technology	Utility Line
Information Technology	Veterinarian/Animal Health
Machine Tool	Video Production
	Welding
	Word Processing

2. Co-op/work experience will carry the same weight as the program is generally assigned.
3. Independent Study, Practicum, and special topics will have the same weight as the course and/or program they duplicate.
4. Includes courses from the 1.0 or 1.5 categories which are identical to those courses taught in programs/courses with 2.0 weighting factor. Example: Art classes such as Photography.

COMPUTATION AND ALLOCATION OF STATE AID UNDER THE COMMUNITY COLLEGE FOUNDATION AND EQUALIZATION AID ACT

I. Valuations

An important factor in the computation and allocation of state aid based on the state aid formula in the Community College Foundation and Equalization Aid Act is property tax valuations for each of the six community college areas.

1. State aid computations

State aid computations for the June 30, 2010 fiscal year will use valuations for the 2009 tax year as reported in the December 2008 annual report by the Property Assessment Division of the Nebraska Department of Revenue.

2. Uniform Budget Document filing

State statute section §13-506 requires community college areas to publish a budget summary and notice of a budget hearing five (5) days before the hearing. State statute section §77-1601.02 requires five (5) days notice of a special hearing to change the tax request from the prior year's request.

State statute section §13-508 requires community college areas to file by September 20th adopted budgets with the county clerks and the Auditor of Public Accounts. It also provides that a governing board shall not certify an amount of tax more than one percent greater or lesser than the amount determined under section §13-505.

State statute section §13-509 requires the County Assessors to certify on or before August 20th of each year the assessed value of all taxable property in each county in the community college area.

Community college areas typically hold budget hearings between September 7 and September 18. With the five (5) day publishing requirement, the valuation, levy, revenue, and estimated state aid numbers for areas should be finalized by the first of September.

Some County Assessors have historically provided initial certified valuations or made minor adjustments to certified valuations after the August 20th deadline for certification.

The community college areas agree to use, for Uniform Budget Document filings, the certified valuations as of the close of business on the fifth working day (Monday-Friday) after August 20th (Final Valuation). This date would range from the 25th to the 28th of August depending upon which day of the week August 20th falls. The five working day period would allow for late or corrected certifications to be filed. Changes in certified valuations after this date will not be considered unless the changes are material. In general, for a change to be considered material, it should result in a 1% or greater change in total valuation of the community college area.

II. Prior year Revenue

Prior year revenue is defined in state statute 85-2212. Prior year revenue for use in state aid computations for the June 30, 2010 fiscal year shall be revenue for the fiscal year ending June 30, 2009. Prior year revenue shall be determined as follows:

1. State aid shall be equal to the amount appropriated by the Legislature pursuant to the Community College Foundation and Equalization Aid Act and allocated to each Community College by the Department of Revenue.
2. Property tax revenue shall be determined as follows:
 - a. The valuations to be used for the computation of state aid for June 30, 2010 shall be the 2009 valuations from the December 2008 annual report from the Property Assessment Division of the Nebraska Department of Revenue.
 - b. The lesser of:
 - i. The property tax revenue equal to the 2009 property tax valuation times the actual 2009 general fund property tax levy for the Area divided by 100.
 - ii. The property tax revenue equal to the 2009 property tax valuation times the 2009 Local Effort Rate (LER) divided by 100.
3. Tuition and fee revenue shall be determined as follows:
 - a. Tuition revenue shall be equal to:
 - i. Audited credit hours times the College adopted credit hour tuition rates.
 - ii. Audited tuition for non-credit reimbursable courses.
 - b. Fee revenue shall be equal to:
 - i. Audited credit hours times the College adopted mandatory credit hour fee rates.
 - ii. Audited other mandatory fees that all students pay for example registration fee, facility fee, student activity fee, library fee, etc.

Tuition and fee for avocational and recreational community service programs or courses are not included in prior year revenue. These courses are normally offered for non-credit and normally are referred to as non-credit non-reimbursable. Tuition and fees for avocational and recreational programs or courses are not included for the following reasons:

1. State statute 85-1503(4) states "...Avocational and recreational community service programs or courses are not included in determining full-time equivalent students or student enrollment;"
2. State statute 85-1503(21) states "Reimbursable educational unit means a full-time equivalent student multiplied by..."
3. State statute 85-2223 repeatedly refers to full-time equivalent enrollment and reimbursable education units in determining base revenue need. Thus by state statute avocational and recreational community service programs or courses are excluded from base revenue need.

III. Reporting of data

Data for use in computations for the Community College Foundation and Equalization Aid Act shall be reported to the Coordinating Commission for Postsecondary Education and the Department of Revenue. Sources of data are as follows:

1. Audited Statement of Reimbursable Full-Time Equivalent Student Enrollment and Reimbursable Educational Units due August 15.
2. Audited Financial Statements due October 15

3. Valuations for 2009 from the December 2008 annual report from the Property Assessment Division of the Nebraska Department of Revenue
4. Preliminary State Aid Formula Data form due August 30 (see sample form)
5. September 5, 2008 letter from the Nebraska Department of Revenue providing;
 - a. State aid for given Area
 - b. Base Revenue Need for given Area
 - c. Local Effort Rate
 - d. Maximum Levy Rate
 - e. Minimum Levy Rate
6. Final State Aid Formula Data form due October 15 reconciling any differences between the preliminary State Aid Formula Data form submitted August 30 and final audited numbers (see sample form).

**Anywhere Nebraska Community College Area
State Aid Formula Data
Fiscal Year Ending June 30, 2009
Reported as of August 30, 2009**

Prior Year Revenue 85-2212

State Aid:

State Aid per Department of Revenue letter dated 9-5-08 19,033,793

Property Taxes:

Valuation 6-30-09 (as of December 2008) 34,407,369,242
Lower of LER or actual levy rate 0.066677178

Computed property taxes 22,941,863

Reimbursable tuition:

Credit reimbursable tuition

Student type	Number of Credit Hours	Rate	Total
Resident	394,502.50	\$47.00	18,541,618
Non-Resident	20,434.50	\$57.50	<u>1,174,984</u>
Total	414,934.00		19,716,602
Non-credit reimbursable tuition			<u>1,228,451</u>
Total reimbursable tuition			20,945,053

Mandatory fees:

Per credit hour fees 414,937.00 \$1.00 414,937

Other mandatory fees none -

Total mandatory fees 414,937

Total reimbursable tuition and mandatory fees 21,359,990 21,359,990

Total prior year revenue 63,335,646

Fiscal year ending June 30, 2009

FTE	5,362.30
REU	8,787.50
3 year average FTE	5,215.82
3 year average REU	8,567.36

Fiscal year ending June 30, 2008

FTE	5,086.61
REU	8,365.26
3 year average FTE	5,109.25
3 year average REU	8,375.81

Growth in 3 year average FTE June 30, 2010 state aid computation

FTE change	106.57
FTE change %	2.09%

Property tax levy rates for June 30, 2009 in cents per \$ 100 of valuation

General fund	6.3400
Capital improvement fund	0.5500
ADA/Hazardous waste fund	<u>0.0000</u>
Total	<u>6.8900</u>

Any Community College in which a tribally controlled community college is located shall include on this form the FTE and REU numbers for the tribally controlled community college.

**Anywhere Nebraska Community College Area
State Aid Formula Data
Fiscal Year Ending June 30, 2009
Reported as of October 15, 2009**

Prior Year Revenue 85-2212

State Aid:

State Aid per Department of Revenue letter
Dated 9-5-08

Reported 8-30-09	Reported 10-15-09	Difference
19,033,793	19,033,793	-

Property Taxes:

Valuation 6-30-09
(as of December 2008) 34,407,369,242
Lower of LER or actual
levy rate 0.066677178

Computed property taxes	22,941,863	22,941,863	-
--------------------------------	------------	------------	---

Reimbursable tuition:

Credit reimbursable tuition

Student type	Number of Credit Hours	Rate	Total
Resident	394,502.50	\$47.00	18,541,618
Non-Resident	<u>20,434.50</u>	\$57.50	<u>1,174,984</u>
Total	414,937.00		19,716,602
Non-credit reimbursable tuition			<u>1,228,451</u>
Total reimbursable tuition			20,945,053

Mandatory fees:

Per credit hour fees	414,937.00	\$1.00	414,937
Other mandatory fees		none	-
Total mandatory fees			414,937

Total reimbursable tuition and mandatory fees	21,359,990	<u>21,359,990</u>	<u>21,359,990</u>	-
--	------------	-------------------	-------------------	---

Total prior year revenue	63,335,646	63,335,646	-
---------------------------------	------------	------------	---

Fiscal year ending June 30, 2009

FTE	5,362.30
REU	8,787.50
3 year average FTE	5,215.82
3 year average REU	8,567.36

Fiscal year ending June 30, 2008

FTE	5,086.61
REU	8,365.26
3 year average FTE	5,109.25
3 year average REU	8,375.81

Growth in 3 year average FTE for June 30, 2010 state aid computation

FTE change	106.57
FTE change %	2.09%

Property tax levy rates for June 30, 2009 in cents per \$ 100 of valuation

General fund	6.3400
Capital improvement fund	0.5500
ADA/Hazardous waste fund	<u>0.0000</u>
Total	<u>6.8900</u>

Any Community College in which a tribally controlled community college is located shall include on this form the FTE and REU numbers for the tribally controlled community college.

Nothing in this form changes any values or information contained in the Anywhere Nebraska Community College audit of Statement of Reimbursable Full-Time Equivalent Student Enrollment and Reimbursable Educational Units submitted in August 2009.

STATE AID ENROLLMENT AUDIT COMMITTEE

STATE AID ENROLLMENT AUDIT GUIDELINES

SAMPLE AUDIT FORMAT

COURSE WEIGHTING DECISION RULES

COMPUTATION AND ALLOCATION OF STATE AID